

1997-98 SESSION
COMMITTEE HEARING
RECORDS

Committee Name:

Joint Committee on
Finance (JC-Fi)

Sample:

Record of Comm. Proceedings ... RCP

- 05hrAC-EdR_RCP_pt01a
- 05hrAC-EdR_RCP_pt01b
- 05hrAC-EdR_RCP_pt02

➤ Appointments ... Appt

➤ **

➤ Clearinghouse Rules ... CRule

➤ **

➤ Committee Hearings ... CH

➤ **

➤ Committee Reports ... CR

➤ **

➤ Executive Sessions ... ES

➤ **

➤ Hearing Records ... HR

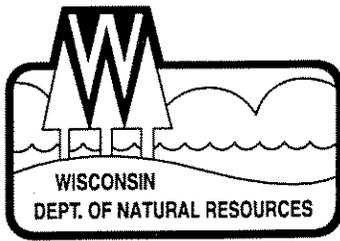
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➤ Miscellaneous ... Misc

➤ 97hrJC-Fi_Misc_pt219

➤ Record of Comm. Proceedings ... RCP

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State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES

Tommy G. Thompson, Governor
George E. Meyer, Secretary

Box 7921
101 South Webster Street
Madison, Wisconsin 53707-7921
TELEPHONE 608-266-2621
FAX 608-267-3579
TDD 608-267-6897

March 26, 1998

Honorable Brian Burke, Co-Chair
Joint Committee on Finance

Honorable John Gard, Co-Chair
Joint Committee on Finance

SUBJECT: Laboratory Certification and Registration

Brian + John
Dear Senator Burke and Representative Gard:

This letter will update you on action taken by the Natural Resources Board (NRB) on March 25 with respect to the Joint Committee on Finance conditional approval of increased expenditure authority for the laboratory certification and registration program.

The Committee approved the expenditure authority request on the condition that the NRB did not increase the 1998-99 laboratory certification fees above the amount assessed for 1997-98. The March 25 NRB action complies with that condition. The NRB approved FY 1999 fees of \$37.50 per relative value unit (RVU), which is identical to the price per RVU approved for FY 1998.

I would like to thank the Committee for its approval of the expenditure authority increase.

Sincerely,

George E. Meyer
Secretary

cc: Mark D. Bugher, Department of Administration
Members, Joint Committee on Finance

STATE OF WISCONSIN

SENATE CHAIR
BRIAN BURKE

Room 202, 119 Martin Luther King Blvd.
P.O. Box 7882
Madison, WI 53707-7882
Phone: 266-8535



ASSEMBLY CHAIR
JOHN GARD

315 North, State Capitol
P.O. Box 8952
Madison, WI 53708-8952
Phone: 266-2343

JOINT COMMITTEE ON FINANCE

March 19, 1998

Mr. Mark D. Bugher, Secretary
Department of Administration
101 East Wilson Street, 10th Floor
Madison, WI 53703

Dear Secretary Bugher:

On February 27, 1998, you submitted a s. 16.515 request for the Department of Natural Resources for approval by the Joint Committee on Finance. No objections have been raised to the requested expenditure authority increase. However, it is noted that the Department is seeking a laboratory certification fee increase from the Natural Resources Board on March 25, based in part on this s. 16.515 request. We believe that the July 1, 1997, program revenue appropriation balance of approximately \$440,000 is sufficient to fund the request without increasing fees. Therefore, the request is approved with the understanding that the NR Board does not increase 1998-99 laboratory certification fees above the amount assessed for 1997-98. If this is not acceptable, please notify the Co-Chairs by March 26, 1998, and the Committee will schedule a meeting to review this request.

Sincerely,

Handwritten signature of Brian Burke in cursive.

BRIAN BURKE
Senate Chair

Handwritten signature of John Gard in cursive.

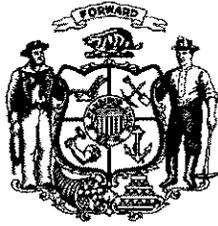
JOHN GARD
Assembly Chair

cc: Members, Joint Committee on Finance
Jay Huemmer, Department of Administration
George Meyer, Department of Natural Resources

THE STATE OF WISCONSIN

SENATE CHAIR
BRIAN BURKE

119 MLK, Room 202
P.O. Box 7882
Madison, WI 53707-7882
Phone: (608) 266-8535



ASSEMBLY CHAIR
JOHN GARD

315-N Capitol
P.O. Box 8952
Madison, WI 53708-8952
Phone: (608) 266-2343

JOINT COMMITTEE ON FINANCE

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Brian Burke
Representative John Gard
Co-Chairs, Joint Committee on Finance

Date: March 2, 1998

Re: Attached s. 16.515, Stats., Request

Attached is a copy of a request from the Department of Natural Resources, dated February 27, 1998, pursuant to s. 16.515, Stats., pertaining to a request from the Department of Natural Resources.

Please review this material and notify **Senator Burke** or **Representative Gard** no later than **Wednesday, March 18, 1998**, if you have any concerns about the request or would like to meet formally to consider it.

Also, please contact us if you need further information.

BB/JG/jc



STATE OF WISCONSIN
 DEPARTMENT OF ADMINISTRATION
 101 East Wilson Street, Madison, Wisconsin

Mailing Address:
 Post Office Box 7864
 Madison, WI 53707-7864



TOMMY G. THOMPSON
 GOVERNOR
 MARK D. BUGHER
 SECRETARY

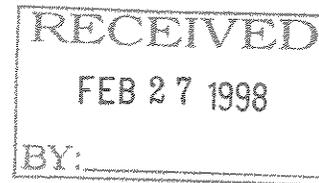
Date: February 27, 1998

To: The Honorable Brian Burke, Co-Chair
 Joint Committee on Finance

The Honorable John Gard, Co-Chair
 Joint Committee on Finance

From: Mark D. Bugher, Secretary
 Department of Administration

Subject: S. 16.515/16.505(2) Requests



Enclosed are requests that have been approved by this department under the authority granted in s. 16.515 and s. 16.505(2). The explanation for each request is included in the attached materials. Listed below is a summary of each item:

<u>AGENCY</u>	<u>DESCRIPTION</u>	<u>1997-98</u>		<u>1998-99</u>	
		<u>AMOUNT</u>	<u>FTE</u>	<u>AMOUNT</u>	<u>FTE</u>
DNR 20.370(3)(fj)	Integrated Science Services- Laboratory Certification	\$25,200		*\$53,200	

*\$28,000 is one-time expenditure authority.

As provided in s. 16.515, the requests will be approved on March 20, 1998, unless we are notified prior to that time that the Joint Committee on Finance wishes to meet in formal session about any of the requests.

Please contact Jay Huemmer at 266-1072, or the analyst who reviewed the request in the Division of Executive Budget and Finance, if you have any additional questions.

Attachments

Date: February 18, 1998

To: Mark D. Bugher
Secretary

From: Kirsten M. Grinde 
Policy and Budget Analyst

Subject: Request under s. 16.515 from the Department of Natural Resources for Increased Expenditure Authority for the Bureau of Integrated Science Services

Request

The Department of Natural Resources (DNR) requests increased spending authority under s. 16.515 of \$25,200 PR in FY98 and \$53,200 PR in FY99 in s. 20.370 (3)(fj) (environmental quality --laboratory certification) to cover the costs of upgrading the Bureau of Integrated Science Services (ISS) laboratory computer tracking system. The additional spending authority would include a one-time increase of \$28,000 in FY99 to hire a contractor to complete the upgrade.

Revenue Source for Appropriation

This increased expenditure authority will be funded by revenues from program fees collected for administration of the Laboratory Certification Program under s. 299.11 (9), Wis. Stats. Fees collected for this program include an application fee (\$225), base fee (\$375), and fees for the various test types (\$37.50 to \$975). Charges to individual laboratories range from \$412.50 to \$3,675.

Background

Created over 10 years ago, the Laboratory Certification and Registration Program monitors and certifies 550 laboratories, approximately 100 of which are located out of state. Laboratories certified under this program provide test results for:

- solid and hazardous waste facility feasibility reports, plans of operation or license conditions;
- mining permit applications;
- required monitoring under ch. 283, Wis. Stats.;
- well replacement or alternative water supply provision;

- groundwater monitoring;
- Safe Drinking Water Program management or enforcement;
- requirements under contracts with the department;
- hazardous substance discharge investigations; and
- other programs as determined by the department and specified in rule.

Administrative and operating expenses are covered by revenues from fees charged to each laboratory. Fees are set by rule, and total revenue is limited to the spending authority awarded to the program through the biennial budget and approved requests under s. 16.515, Wis. Stats.

Analysis

To become certified under the Laboratory Certification Program, a laboratory must submit an application, fees, acceptable results of reference samples, and proof of a quality control system. In addition, DNR must complete an on-site evaluation of the laboratory. Laboratories may be certified to conduct specific types of tests or all types of tests conducted on water, wastewater, waste material, soil or hazardous substances. Certifications must be renewed annually.

In 1993, the Bureau of Integrated Science Services developed a laboratory tracking system using Oracle database management software to assist in monitoring the certification program. Information tracked in this system includes:

- fees
- applications
- on-site inspections
- certification
- reference samples
- enforcement actions.

Recently, the Oracle Company informed DNR that it would not provide support for DNR's current version of Oracle after July 1, 1998. To continue to receive support from the software company, DNR must convert its DOS Oracle-based systems to the upgraded, graphical-based version of Oracle. ISS expects to hire a contract programmer and complete the conversion by July 1998.

Final payment to the contractor of \$28,000 PR would occur in FY99. The remaining spending authority requested would be used to meet DNR Bureau of Enterprise Information Technology and Applications annual charges for accessing

the printer network (\$200), storing data (\$1,290), computer services (\$5,760), and CPU time (\$17,911). Prior to FY98, these chargeback costs were funded by GPR. To meet budget reductions and reallocations, ISS has transferred these costs to program revenue fees.

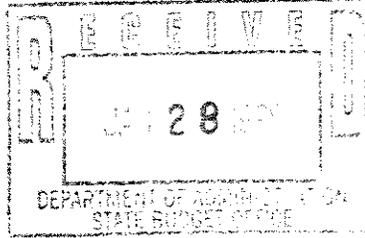
Recommendation

Increase s. 20.370 (3)(fj) (environmental quality – laboratory certification) by \$25,200 PR in FY98 and \$53,200 PR in FY99 to fund the conversion and on-going costs of the Bureau of Integrated Science Services laboratory tracking system.

R 11/1/97

CORRESPONDENCE/MEMORANDUM

cc [unclear]
[unclear]



FILE REF: 9310

DATE: January 15, 1998
TO: *Nick* Richard G. Chandler
State Budget Director
FROM: *George* George E. Meyer, Secretary
Department of Natural Resources

SUBJECT: S. 16.515 Request for Program Revenue Appropriation Supplement

Request

The Bureau of Integrated Science Services requests a supplement to the program revenue appropriation derived from laboratory certification fees (s. 299.11, Wis. Stats.), appropriation number s. 20.370(3)(fj), Stats, per the table below. An adjustment is needed to cover conversion of the Oracle-based laboratory computer tracking system, including 1) a one-time increase of \$28,000 in FY 99 to cover the cost of the required Oracle conversion and 2) a continuing base addition to the FY 98 appropriation, and following years, of \$9,000 for increased operational cost of the new Oracle system.

Fiscal Year	Current Authority	Continuing Computer Cost	One-Time Computer Cost	Total
1998	\$461,300	\$9,000	-	\$470,300
1999	\$463,000	\$9,000	\$28,000	\$500,000

Revenue Source for Appropriation

This request will be funded by revenues from program fees collected for the administration of the laboratory certification program under s. 299.11, Wis. Stats. There is a sufficient cash balance in the appropriation to cover these anticipated costs increases

Background/Justification

The Wisconsin DNR certifies or registers 550 environmental testing laboratories in 27 different states. In 1996, the program processed 93 applications for certification or registration, including 16 new applications, 66 revised applications and 11 applications for transfer of ownership. All certifications and registrations are renewed annually. In addition, there are about 120 on-site inspections done at the 550 laboratories per year. Refer to the attached fact sheet on the Certification Program. All information on these 550 laboratories are tracked on the current Oracle based computer system. This information includes:

- Payment of fees
- Status of applications
- Status of on-site inspections
- Status of certification (parameters and methods)
- Status of reference samples
- Status of enforcement actions

The current lab tracking system (based on Oracle version 7.1) will no longer be supported by the Oracle company after July 1, 1998. Therefore, the Department's information technology Bureau (BEITA) needs to convert the system into the graphical based (Oracle version 7.3) tracking system. This also means the Department's other Oracle based systems need to be converted as well. In order for BEITA to complete the conversions to Oracle 7.3 they also need to upgrade the operating system on the Department's servers. This operating system upgrade will not allow the current Oracle based

tracking system to work due to incompatibility problems. This requires the Laboratory Certification Program to convert the current system now. Without the conversion of the lab tracking system, it will no longer be able to operate as required by rule and statute. These changes by Oracle came on short notice, thereby not allowing for a conventional fiscal request as part of the 1997-99 biennial budget process.

The table below itemizes the additional appropriation needed to support the update of the Laboratory Certification computer system to the current technology in databases. Other associated costs equal \$9,027. Some of these costs are one-time while others will be re-occurring annual costs. In previous years the annual computer operational costs were covered by GPR funding. As of FY 98, due to budget reductions and reallocations, all computer operational costs will be covered by program revenue.

Table of Itemized Costs

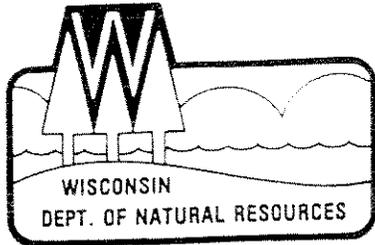
<u>Item</u>	<u>Description</u>	<u>FY 1998</u>	<u>FY 1999</u>	<u>Grand Total</u>
Contractor Cost	466 hrs at \$60/hr		\$ 27,960	\$ 27,960
Printer Network Charge	\$100/yr/printer 2 printers	\$ 200	\$ 200	\$ 400
Computer Storage Space	\$0.25/MB/Month	\$ 1,290	\$ 1,290	\$ 2,581
Computer Service Charges	\$360/PC/year 16 PCs	\$ 5,760	\$ 5,760	\$ 11,520
Computer CPU Charges	\$0.0235/second	\$ 1,776	\$ 1,776	\$ 3,553
Total		\$ 9,027	\$ 36,987	\$ 46,013

The Laboratory Certification Standards Review Council has passed a resolution in support of the one-time increase to effectively complete the Oracle update.

Upon final DOA action, please have Kirsten Grinde notify Edie Grossen, FN/1, 266-0855, of your decision.

If you have questions on this request, please contact Jack Sullivan, SS/6 (267-9753) or Mike Bormett, MB/5 (267-7418).

- cc: Renee Sanford - SS/6
- Carla Wright - SS/6
- Jack Sullivan - SS/6
- Edie Grossen - FN/1
- Mike Bormett - MB/5
- Kirsten Grinde - DOA



Wisconsin Department of Natural Resources Laboratory Certification Program Fact Sheet *Fiscal Year 1998*

➤ The number of laboratories participating in the program has remained relatively stable. Figure 1 shows trends in the number of laboratories over the last ten years.

➤ The Laboratory Certification Program serves labs in 25 states, including Wisconsin. Out-of-state certified and reciprocity laboratories account for about 21% of the total, while in-state registered and certified labs making up the remainder. Over the last year, the Department implemented its reorganization plan which consolidated the six districts into five regions. Figure 2 indicates the number of laboratories each office is responsible for auditing. As part of the reorganization, the Central Office will be picking up the responsibility for auditing several regional laboratories.

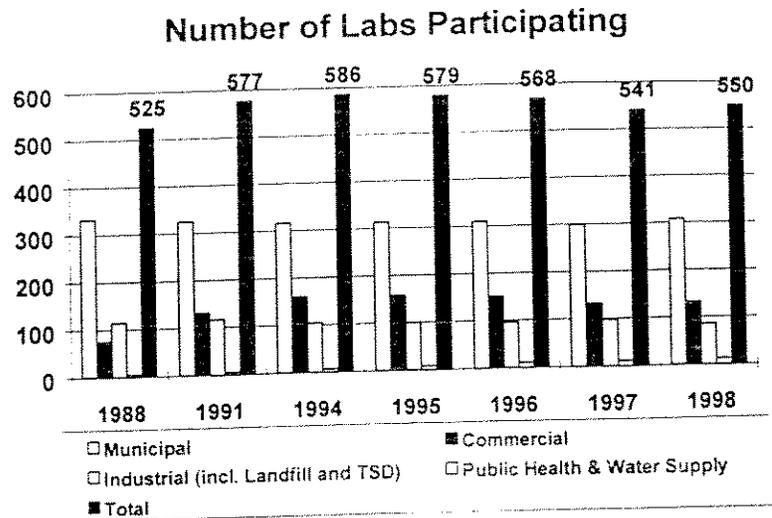


Figure 1- Number of Labs in the Program

Regional Responsibilities - FY 1998

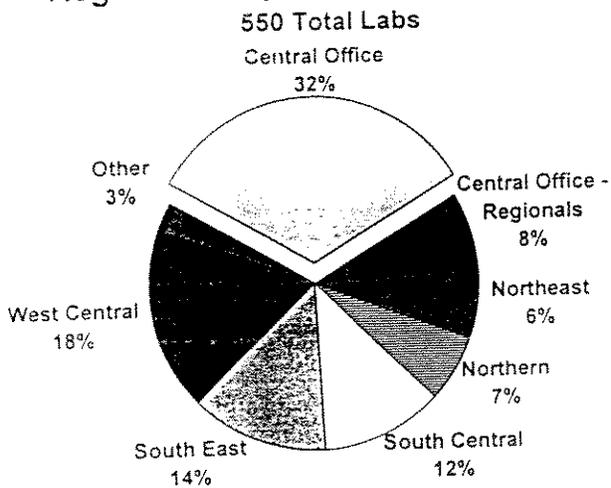


Figure 2- Regional Responsibilities

➤ FY 1997 was another busy year for applications. The Department processed 93 applications last year including 16 new applications, 66 revised applications and 11 transfers of ownership. These applications continue to trigger evaluations based upon the "90-day clock". Almost half of the audits performed annually by the Central Office are the result of application submittals.

➤ The current Central Office audit backlog is approximately 104 laboratories, down from 116 last year. This backlog includes audits triggered by applications (90 day clock), scheduled revisits, and a few labs that have never been seen (low priorities if they don't

submit data). Of the 104 audits on the backlog, 66 are revisits scheduled to occur prior to 7/01/98, 22 are laboratories that were seen at one time but have not been closed and 14 are labs that have never been seen. The program estimates that it will be able to reduce the backlog significantly once the two new auditors are fully trained and in the field.

➤ Table 1 below summarizes the audit performance for the entire program for FY 1996 & 1997.

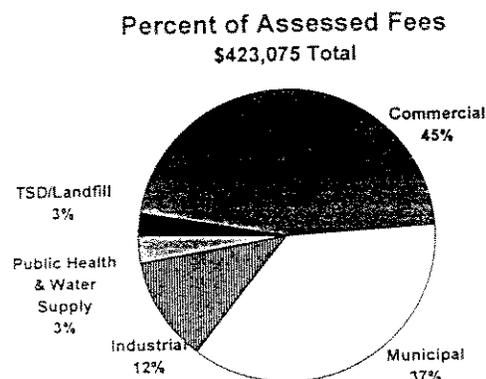
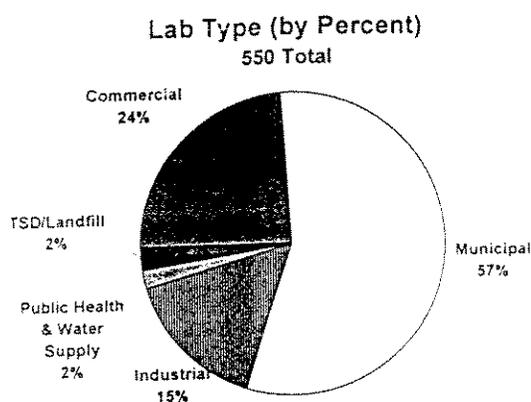
		CO	RC	NE	NO	SC	SE	WC	Total
1997	# Audits Performed	32	7	9	9	10	22	20	109
	# Reports Issued	33	7	3	26	2	9	17	97
	# Cases Closed	28	4	2	26	1	10	14	85
1996	# Audits Performed	59	3	1	10	1	24	21	119
	# Reports Issued	62	1	0	12	1	20	21	117
	# Cases Closed	61	0	0	7	1	18	17	104

Table 1: Audit Performance

➤ The program used the fee formula in NR 149 to calculate the renewal fees for FY 1998. In FY 1998, 550 laboratories received bills totaling \$423,000. As of July 28, 1997, 500 laboratories had paid all or part of their bills for a total of \$364,551. Twenty labs notified the program that they wished to drop all (8 labs) or part (12 labs) of their certification, amounting to a loss of \$11,500 in revenue. The program expects the remaining labs to renew their certification prior to the August 31 deadline. Table 2 summarizes the FY 1998 billing.

Laboratory Type	# of Labs Billed	Amount Billed	Maximum Bill	Minimum Bill	Average Bill
Commercial	132	\$195,075.00	\$3,450.00	\$412.50	\$1,477.84
Municipal	308	\$154,612.50	\$2,100.00	\$412.50	\$501.99
Industrial	85	\$50,250.00	\$2,325.00	\$412.50	\$591.18
Public Health	10	\$11,437.50	\$3,675.00	\$450.00	\$1,143.75
Public Water Supply	2	\$825.00	\$412.50	\$412.50	\$412.50
Haz. Waste TSD	12	\$9,150.00	\$1,050.00	\$525.00	\$762.50
Landfill	1	\$1,725.00	\$1,725.00	\$1,725.00	\$1,725.00
All Labs	550	\$423,075.00	\$3,675.00	\$412.50	\$769.23
Out-of-State Labs	99	\$137,437.50	\$2,887.50	\$487.50	\$1,388.26
Wisconsin Labs	451	\$285,637.50	\$3,675.00	\$412.50	\$633.34
Reciprocity Labs	14	\$12,600.00	\$900.00	\$900.00	\$900.00

Table 2: FY 1998 Billing Summary



Figures 3 & 4 - Fee Contribution by Lab Type.

➤ As indicated in Figures 3 and 4, both in-state and out-of-state commercial labs account for a large percentage of the program's revenue even though they are outnumbered by in-state (registered) laboratories. Commercial laboratories will continue to shoulder the highest portion of the fees because these laboratories are generally more complex and require more intensive audits.

Huemmer, Jay

From: Grinde, Kirsten
Sent: Thursday, February 19, 1998 4:15 PM
To: Huemmer, Jay
Subject: FW: s. 16.515 request for Lab Cert

Here is the amendment DNR sent for its Lab Certification 16.515 request.

-----Original Message-----

From: BormeM@mail01.dnr.state.wi.us
Sent: Monday, February 02, 1998 8:40 AM
To: Grinde, Kirsten; grindk
Subject: s. 16.515 request for Lab Cert

Kirsten,

Here's the amended request that we need for the s. 16.515 request for Lab Certification that you have. In discussions with BEITA, there was confusion over which processor rate to use. ISS used a CPU rate of \$0.0235/second to come up with the \$1,776 CPU cost shown in the table. However, this rate was incorrect. ISS should have been using the Oracle 1 server rate of \$0.237/second. This error was identified by Brian Wilmot after the request had been forwarded to you. Using this figure, the CPU Charges increase to \$17,900. Therefore, our final request needs to be increased by \$16,200 in each year.

ISS had been paying the CPU charge of between \$18-20,000 annually out of GPR, so the rate of \$17,900 is not a "new" charge. It is only new in terms of it now being paid by the lab cert fees.

Sorry for the confusion. For add'l details on this request, you can contact myself or Jack Sullivan in ISS. Thanks.

THE STATE OF WISCONSIN

SENATE CHAIR
BRIAN BURKE

119 MLK, Room 202
P.O. Box 7882
Madison, WI 53707-7882
Phone: (608) 266-8535



ASSEMBLY CHAIR
JOHN GARD

315-N Capitol
P.O. Box 8952
Madison, WI 53708-8952
Phone: (608) 266-2343

JOINT COMMITTEE ON FINANCE

March 13, 1998

Secretary Mark Bugher
Department of Administration
101 East Wilson Street, 10th Floor
Madison, WI 53702

Dear Secretary Bugher:

We are writing to inform you that the members of the Joint Committee on Finance have reviewed your request, pursuant to s. 13.48(14)(d)(4), Stats., concerning the proposed exchange of approximately 24.0679 acres of state owned land in the Menomonee River Valley to CMC Heartland Partners for approximately 47.9614 acres of land located adjacent to the state property.

No objections to this request have been raised. Accordingly, the request is approved.

Sincerely,

Handwritten signature of Brian Burke in black ink.

BRIAN BURKE
Senate Chair

Handwritten signature of John G. Gard in black ink.

JOHN G. GARD
Assembly Chair

BB:JG:dh

cc: Members, Joint Committee on Finance
Robert Brandherm, Building Commission
Robert Lang, Legislative Fiscal Bureau
Jay Huemmer, Department of Administration



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

February 26, 1998

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Request for Exchange of Former Proposed Prison Site East of Existing Milwaukee County Stadium for Adjacent CMC Heartland Partners Land

This memorandum addresses a request, under s. 13.48(14)(d)(4) of the statutes, submitted to the Joint Committee on Finance by the Department of Administration (DOA), related to the exchange of land associated with the Milwaukee Brewers Stadium ("Miller Park").

BACKGROUND

In August of 1995, the state, City of Milwaukee, Milwaukee County and the Milwaukee Brewers signed a memorandum of understanding (MOU) regarding the construction of a new baseball stadium at the current Milwaukee County Stadium site. Under the MOU, the majority of the land on which the stadium is being built, which was owned at the time by Milwaukee County, was to be transferred by the County to the state. The state would lease the land to the five-county Stadium District pursuant to a 99-year ground lease agreement. The District would, in turn, lease it to the Brewers. A deed to transfer this land was signed by representatives of DOA and the County effective December 31, 1996.

In addition to the County site, two adjacent tracts of land that are presently owned by the state and CMC Heartland Partners (CMC) are also part of the planned stadium site. The MOU provided for the state to negotiate an exchange of land between itself and CMC; such an agreement was reached in December of 1997. Under the agreement, 24.1 acres of land would be transferred by the state to CMC and 48 acres would be transferred by CMC to the state, for a net gain of 23.9 acres to the state. The state would retain an easement for the Henry Aaron State Park Trail. Due to the net loss of land to CMC, the District paid CMC \$451,539.20. The

state land that would be exchanged was purchased in the 1980's for use as a prison site. The exchange was approved by the Building Commission on January 22, 1998.

As provided for under the MOU, the state would lease the land acquired under this agreement to the District. Although the MOU specified a 99-year lease, the Commission reduced the term to 40 years. The lease will require the District to assume all risks associated with the land, including, but not limited to, any environmental risks. In addition, the lease will indemnify and hold the state harmless from any costs, expenses or liability with respect to the acquired land. Responsibility for the land will revert back to the state at the end of the lease's 40-year term.

Although the stadium project could be completed without this exchange of land, it would allow better parking and road access to Miller Park. It would also minimize the impact on traffic on I-94 and local roads.

THE DEPARTMENT'S REQUEST

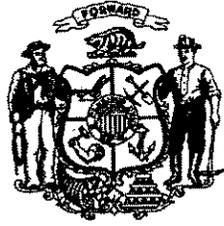
The Department requests approval of the exchange of land between CMC and the state, as outlined above. Under the statutes, if the Building Commission proposes to transfer or sell surplus land with a value exceeding \$20,000, it must notify the Joint Committee on Finance, which has 14 working days to decide whether to review the transfer or sale. If the Co-chairs of the Committee notify the Commission within 14 days that a meeting has been scheduled for the purpose of reviewing the proposed sale or transfer, the transaction may only take place upon approval of the Committee. The Building Commission approved the transaction at its meeting on January 22, 1998, and the Finance Committee received notification on February 23, 1998. The Department's request will be approved on March 13, unless the Committee notifies the Commission prior to that date that a meeting has been scheduled to review the transfer.

BL/KD/dls

THE STATE OF WISCONSIN

SENATE CHAIR
BRIAN BURKE

119 MLK, Room 202
P.O. Box 7882
Madison, WI 53707-7882
Phone: (608) 266-8535



ASSEMBLY CHAIR
JOHN GARD

315-N Capitol
P.O. Box 8952
Madison, WI 53708-8952
Phone: (608) 266-2343

JOINT COMMITTEE ON FINANCE

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Brian Burke
Representative John Gard
Co-Chairs, Joint Committee on Finance

Date: February 26, 1998

Re: Attached Map

Attached please find a copy of a site map identifying both parcels of land involved in the proposed exchange between the State and CMC Heartland Partners, pursuant to s. 13.48(14)(d), Stats. Detailed information concerning this 14-day passive review was distributed to your offices yesterday.

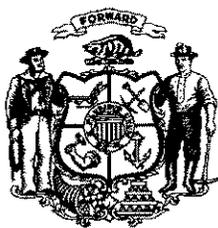
Please feel free to call us if you have any questions.

BB/JG/jc

THE STATE OF WISCONSIN

SENATE CHAIR
BRIAN BURKE

119 MLK, Room 202
P.O. Box 7882
Madison, WI 53707-7882
Phone: (608) 266-8535



ASSEMBLY CHAIR
JOHN GARD

315-N Capitol
P.O. Box 8952
Madison, WI 53708-8952
Phone: (608) 266-2343

JOINT COMMITTEE ON FINANCE

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Brian Burke
Representative John Gard
Co-Chairs, Joint Committee on Finance

Date: February 24, 1998

Re: 14 Day Passive Review for the Exchange of State Owned Land

Attached please find a copy of a proposal from Secretary Bugher concerning the proposed exchange of approximately 24.0679 acres of state owned land in the Menomonee River Valley to CMC Heartland Partners for approximately 47.9614 acres of land located adjacent to the state property. Pursuant to s. 13.48(14)(d)(4), Stats., the Building Commission is required to notify the Joint Committee on Finance of its intention to sell or transfer a parcel of surplus land having a fair market value of at least \$20,000. The Committee has 14 working days to review this request.

Please review the attached materials and notify **Senator Burke** or **Representative Gard** no later than **Thursday, March 12, 1998**, if you have any concerns about the request or if you would like the Committee to meet formally to consider it.

Also, please contact us if you need further information.

BB:JG:jc
Attachment



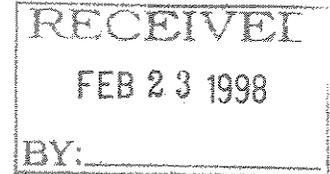
STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION
101 East Wilson Street, Madison, Wisconsin

TOMMY G. THOMPSON
GOVERNOR
MARK D. BUGHER
SECRETARY

Mailing Address:
Post Office Box 7864
Madison, WI 53707-7864



February 13, 1998



The Honorable Brian B. Burke, Co-Chair
The Joint Committee on Finance
Wisconsin State Senate
100 N. Hamilton Street, Rm. 302
Madison, WI 53702

The Honorable John Gard, Co-Chair
The Joint Committee on Finance
Wisconsin State Assembly
315 North State Capitol
Madison, WI 53702

Re: Exchange of Former Proposed Prison Site East of Existing
Milwaukee County Stadium for Adjacent CMC Heartland
Partners Land

Dear Senator Burke and Representative Gard:

This request is submitted pursuant to § 13.48(14)(d)(4), Wis. Stats., as a notification of intent to exchange approximately 24.0679 acres of State owned land formerly proposed as a prison site and located in the Menomonee River Valley east of the existing Milwaukee County Stadium site in Milwaukee County (the "Transferred Property") to CMC Heartland Partners ("CMC") in exchange for approximately 47.9614 acres of land adjacent to the Relinquished Land to be transferred to the State from CMC (the "Acquired Property"). For convenience in identifying the Transferred Property and the Acquired Property, we have attached a site map which clearly identifies both parcels. This transaction was approved by the State Building Commission at its meeting on Thursday, January 22, 1998. General information on the exchange, which was submitted to the State Building Commission, is attached.

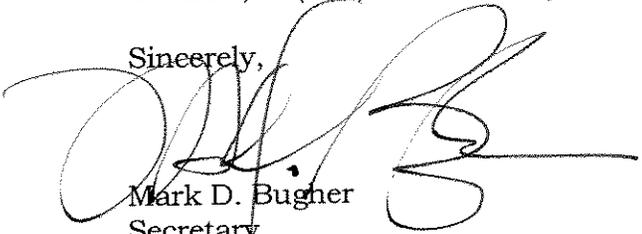
The property currently owned by the State was purchased in the 1980's for use as a prison site. The land has both difficult access and environmental contamination. The exchange will result in the State obtaining a net gain of 23.8935 acres, and will reserve a permanent easement for the Henry Aaron State Trail over the Transferred Property. In addition, the State intends to acquire the Acquired Property for the purpose of leasing it and the Remaining Property (as identified on the map) to the Southeast Wisconsin Professional Baseball Park District ("District") under a 40-year ground lease. The District in turn will construct parking areas and access drives on the Acquired Property and the Remaining Property for use with Miller Park. The ground lease to the District will

Honorable Brian B. Burke
Honorable John Gard
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provide that all property risks (including, but not limited to, environmental risks) will be the responsibility of the District, and the ground lease will further provide that the District will indemnify and hold the State harmless from any costs, expenses or liability with respect to the Acquired Property and the Remaining Property. The State will not be required to provide any funding for the exchange, accordingly, the proposed exchange will be budget neutral.

We understand that § 13.48(14)(d)(4), Wis. Stats., provides fourteen (14) working days for review by the Joint Committee on Finance. We would appreciate a letter approving the sale or scheduling a hearing on this matter so that, if approved, the State, CMC and the District may proceed to a closing. Please feel free to call the undersigned or Mr. Edward Main, Wisconsin Department of Administration Legal Counsel, at (608) 266-2765 if you have any questions regarding this transaction.

Sincerely,



Mark D. Bugher
Secretary

cc: Robert Long, Legislative Fiscal Bureau
Michael Duckett, Southeast Wisconsin Professional Baseball Park District
Brett K. Miller, Esq.

**AGENCY REQUEST FOR
BUILDING COMMISSION ACTION**

January, 1998

AGENCY: State Building Commission and Department of Administration

LOCATION:

- A. Land to be Acquired. 47.9614 acres in the Menomonee River Valley owned by CMC Heartland Partners east of the Menomonee River and as shown on Exhibit A attached hereto (the "Acquired Property").
- B. Land to be Transferred. A portion of the former proposed prison site containing 24.0679 acres in the Menomonee River Valley east of the Menomonee River and as shown on Exhibit A attached hereto (the "Transferred Property").
- C. Remainder of Property. The remainder of the former proposed prison site containing approximately 21.6144 acres in the Menomonee River Valley east of the Menomonee River and as shown on Exhibit A attached hereto (the "Remainder Property").

REQUEST:

Request authority to (1) transfer the Transferred Property to CMC Heartland Partners ("CMC") reserving to the State a permanent easement for the Henry Aaron State Park Trail; (2) acquire the Acquired Property from CMC in consideration for the transfer of the Transferred Property to CMC and (3) enter into a ground lease with the Southeast Wisconsin Professional Baseball Park District (the "District"). The lease includes an indemnification to the State of all costs and liability, including environmental clean up costs in exchange for the long-term lease of the Acquired Property and the Remainder Property to the District.

PROJECT DESCRIPTION:

The property currently owned by the State was purchased in the 1980's for use as a prison site. This land has both difficult access, and environmental contamination. This request seeks approval for an exchange of real property between the State and CMC, wherein the State would transfer the Transferred Property to CMC and CMC would transfer the Acquired Property to the State. Thereafter, the Department of Administration, acting on behalf of the State, would provide the District a 99 year lease for the Acquired Property and the Remainder Property for use as parking areas and access roads (which will be constructed by the District) to facilitate the Henry Aaron State Park Trail and to support the District's operation of Miller Park.

If approved by the State Building Commission, the State will gain a net 23.8935 acres and obtain indemnification for environmental problems, which

currently exist on State owned land (the Remainder Property) and on the Acquired Property. In addition, the transfer allows for development of the Henry Aaron State Park Trail and promotes economic development of the Menomonee River Valley.

At the present time the exchange requested herein is budget neutral, and will not require any funding. If environmental clean up is required by regulatory agencies in the future on land currently owned by the State then this exchange of lands will potentially reduce the need for State expenditures to clean up the site.

JUSTIFICATION OF THE REQUEST:

The acquisition of the Acquired Property and transfer of the Transferred Property will result in the State obtaining a net 23.8935 acres at no additional cost or risk to the State. The District has agreed to be responsible for all risks associated with ownership of the Land.

At no additional cost to the State, this request would assist in the revitalization of the Menomonee River Valley. Miller Park will be a state-of-the-art facility that will attract investment and redevelopment in the immediate area. As an example, CMC has expressed interest in redeveloping its existing industrial property to the east of the Transferred Property, the Acquired Property and the Remainder Property for unspecified retail and commercial uses.

This request makes available additional parking and access roads for Miller Park. The current design was laid out and permitted in its current form to minimize the overall traffic impacts on the local traffic and on the I-94 east/west corridor and to minimize the air quality impacts from such traffic.

Finally, in the biennial budget, the legislature authorized construction of the Henry Aaron State Park Trail. Without acquisition of the Acquired Property, construction of the trail adjacent to the current CMC property would be impossible without the purchase of an easement from CMC. This would be difficult to negotiate and require an expenditure of State funds. The land transfer requested for approval provides such an easement at no expense to the State.

BUDGET:

No additional funding is required to implement this request.

January 22, 1998

Subcommittee	Full Commission
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Department of Administration and State Building Commission

5. Menomonee River Valley Land Transfer - Request authority to:
- a) transfer 24.0679 acres in Menomonee River Valley east of Milwaukee County Stadium to CMC Heartland Partners, reserving to the state a permanent easement for the Henry Aaron State Park Trail;
 - b) acquire property (47.9614 acres in Menomonee River Valley east of Milwaukee County Stadium - former proposes prison site) from CMC; and
 - c) enter into a ground lease with the S.E. Wis. Professional Baseball Park District thereby leasing the Acquired Property and the Remainder Property (21.6144 acres of former proposed prison site) to the S.E. Wisconsin Professional Baseball Park District. The lease must contain provisions indemnifying the State against all costs and liability associated with environmental problems at the site.

PART A: MOVED BY REPRESENTATIVE OTTE, SECONDED BY SENATOR RISSER TO EXCHANGE "TRANSFERRED PROPERTY" AND "ACQUIRED PROPERTY" AS INDICATED ON EXHIBIT A, WITH CMC HEARTLAND PARTNERS, WHILE MAINTAINING A PERMANENT EASEMENT FOR THE HENRY AARON STATE PARK TRAIL ON THE "TRANSFERRED PROPERTY". MOTION CARRIED.

Approved the request.
3-0-1

Approved the revised motion.
8-0-0

PART B: MOVED BY REPRESENTATIVE OTTE, SECONDED BY MR. STYZA TO ENTER INTO A 40-YEAR GROUND LEASE (FOR THE "ACQUIRED PROPERTY AND THE "REMAINDER PROPERTY") WITH THE S.E. WISCONSIN PROFESSIONAL BASEBALL PARK DISTRICT (THE DISTRICT) IN CONSIDERATION FOR CAPPING AND DEVELOPMENT OF THE SITE IN ACCORDANCE WITH DNR REQUIREMENTS AT "DISTRICT" EXPENSE WITHIN THE ORIGINAL STADIUM PROJECT BUDGET. MOTION CARRIED.

Approved the request.
3-0-1

Approved the revised motion.
8-0-0

PART C: MOVED BY REPRESENTATIVE OTTE, SECONDED BY SENATOR MOEN TO REQUIRE AS PART OF THE GROUND LEASE, THAT "THE DISTRICT" INDEMNIFY AND HOLD THE STATE HARMLESS AGAINST ANY COSTS AND LIABILITY, INCLUDING ENVIRONMENTAL CLEAN-UP COSTS. MOTION CARRIED.

Approved the request.
2-1-1
Senator Risser voted no.

Approved the revised motion.
5-3-0
Governor Thompson and Representatives Hoven and Turner voted no.